



Texas Department of Insurance

Division of Workers' Compensation

Medical Fee Dispute Resolution, MS-48

7551 Metro Center Drive, Suite 100 • Austin, Texas 78744-1645

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MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name and Address

SELECT ANESTHESIA
JAMES RINANDO MD
PO BOX 3945 DEPT 124
HOUSTON TX 77523

Respondent Name

COMMERCE & INDUSTRY INSURANCE

Carrier's Austin Representative Box

Box Number 19

MFDR Tracking Number

M4-13-2270-01

MFDR Date Received

MAY 7, 2013

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "We billed this claim for the MD, James Rinando with QK modifier and it was denied for submission error. This claim was billed correctly with QKmodifier, the CRNA claim was billed with QX modifier. Per worker's comp guidelines, both claims should be billed and paid separately."

Amount in Dispute: \$345.61

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "it is the carrier's position that the bill was paid correctly per the coding. Upon reconsideration, a letter was sent to the provider advising that the P3 modifier was not justified in their notes. P3 is used for severe systemic disease. Nurse notes indicate that there were no complications in health history documented to justify using this modifier. It appears the provider should correct their billing in order to receive payment on this code."

Response Submitted by: AIG

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
November 9, 2012	CPT Code 01630-QK-P3	\$345.61	\$182.79

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and all applicable, adopted rules of the Texas Department of Insurance, Division of Workers' Compensation.

Background

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 Texas Administrative Code §134.203, titled *Medical Fee Guideline for Professional Services*, effective March 1, 2008, 33 TexReg 626, sets out the fee guidelines for reimbursement of professional medical services provided in the Texas workers' compensation system.
3. The services in dispute were reduced/denied by the respondent with the following reason codes:

Explanation of benefits

- 125-Submission/billing error(s).

- X342-This charge will be re-evaluated upon receipt of the proper procedure codes or procedure code/modifier combination as listed in the fee schedule.

Issues

1. Is the requestor entitled to reimbursement?

Findings

1. This dispute pertains to whether or not the requestor is entitled to reimbursement for anesthesia services billed under CPT code 01630.

CPT code 01936 is defined as "Anesthesia for open or surgical arthroscopic procedures on humeral head and neck, sternoclavicular joint, acromioclavicular joint, and shoulder joint; not otherwise specified. "

The requestor appended modifier "QK-Medical direction of two, three or four concurrent anesthesia procedures." The requestor also appended the P3 modifier.

The respondent noted on the response that "Upon reconsideration, a letter was sent to the provider advising that the P3 modifier was not justified in their notes. P3 is used for severe systemic disease. Nurse notes indicate that there were no complications in health history documented to justify using this modifier. It appears the provider should correct their billing in order to receive payment on this code."

The P3 modifier is utilized to indicate the clinical condition of the patient, it does not change the reimbursement amount allowed; therefore, reimbursement is recommended.

Per 28 Texas Administrative Code §134.203(c)(1)(2), "To determine the MAR for professional services, system participants shall apply the Medicare payment policies with minimal modifications.

(1) For service categories of Evaluation & Management, General Medicine, Physical Medicine and Rehabilitation, Radiology, Pathology, Anesthesia, and Surgery when performed in an office setting, the established conversion factor to be applied is \$52.83. For Surgery when performed in a facility setting, the established conversion factor to be applied is \$66.32.

(2) The conversion factors listed in paragraph (1) of this subsection shall be the conversion factors for calendar year 2008. Subsequent year's conversion factors shall be determined by applying the annual percentage adjustment of the Medicare Economic Index (MEI) to the previous year's conversion factors, and shall be effective January 1st of the new calendar year. The following hypothetical example illustrates this annual adjustment activity if the Division had been using this MEI annual percentage adjustment: The 2006 Division conversion factor of \$50.83 (with the exception of surgery) would have been multiplied by the 2007 MEI annual percentage increase of 2.1 percent, resulting in the \$51.90 (with the exception of surgery) Division conversion factor in 2007."

To determine the MAR the following formula is used: (Time units + Base Units) X Conversion Factor = Allowance

According to the submitted bill and anesthesia record, the anesthesia began at 12:18 and ended at 13:57 for a total of 99 minutes. Time units are derived in 15 minute increments; therefore, 99/15 = 6.6.

CPT code 01630 has a base unit of 5.

The 2012 DWC conversion factor is 54.86.

Using the above formula the MAR is \$636.37. Because the requestor appended modifier "QK" the MAR is reduced by 50% = \$318.18. The respondent paid \$135.39. As a result additional reimbursement of \$182.79 is recommended.

Conclusion

For the reasons stated above, the Division finds that the requestor has established that additional reimbursement is due. As a result, the amount ordered is \$182.79.

ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code Sections 413.031 and 413.019 (if applicable), the Division has determined that the requestor is entitled to additional reimbursement for the services involved in this dispute. The Division hereby ORDERS the respondent to remit to the requestor the amount of \$182.79 plus applicable accrued interest per 28 Texas Administrative Code §134.130, due within 30 days of receipt of this Order.

Authorized Signature

_____	_____	09/13/2013
Signature	Medical Fee Dispute Resolution Officer	Date

YOUR RIGHT TO APPEAL

Either party to this medical fee dispute has a right to seek review of this decision in accordance with 28 Texas Administrative Code §133.307, effective May 31, 2012, *37 Texas Register 3833*, **applicable to disputes filed on or after June 1, 2012.**

A party seeking review must submit a **Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision** (form **DWC045M**) in accordance with the instructions on the form. The request must be received by the Division within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the Division using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MDR decision shall deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §141.1(d).

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.